

Adopted	Rejected
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COMMITTEE REPORT

YES:	7
NO:	5

MR. SPEAKER:

*Your Committee on Labor and Employment, to which was referred Senate Bill 84, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning labor
- 3 and safety and to make an appropriation.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 2-5-30 IS ADDED TO THE INDIANA CODE AS
- 7 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 8 1, 2009]:
- 9 **Chapter 30. Unemployment Insurance Oversight Advisory**
- 10 **Committee**
- 11 **Sec. 1. As used in this chapter, "committee" refers to the**
- 12 **unemployment insurance oversight advisory committee established**
- 13 **by section 3 of this chapter.**
- 14 **Sec. 2. As used in this chapter, "fund" refers to the**

unemployment insurance benefit fund established by IC 22-4-26-1.

Sec. 3. The unemployment insurance oversight advisory committee is established.

Sec. 4. (a) The committee shall do all of the following:

(1) Monitor the solvency of the fund.

(2) Make recommendations of improvements to increase the solvency of the fund.

(3) Make a report annually to the legislative council concerning the solvency of the fund. The report must be in an electronic format under IC 5-14-6.

(4) Study and make recommendations concerning approaches taken by other states to improve the solvency of unemployment insurance benefit trust funds, including the indexing of:

(A) unemployment benefits; and

(B) the taxable wage base.

(b) A committee recommendation does not take effect unless enacted by the general assembly.

Sec. 5. (a) The committee consists of the following members:

(1) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. The members appointed under this subdivision may be members of the same political party.

(2) One (1) member of the house of representatives appointed by the minority leader of the house of representatives.

(3) Two (2) members appointed by the speaker of the house of representatives as follows:

(A) One (1) member who is a member of the Indiana State AFL-CIO.

(B) One (1) member who is a member of a labor organization not affiliated with the Indiana State AFL-CIO.

(4) Two (2) members of the senate appointed by the president pro tempore of the senate. The members appointed under this subdivision may be members of the same political party.

(5) One (1) member of the senate appointed by the minority leader of the senate.

(6) Two (2) members appointed by the president pro tempore

1 of the senate as follows:

2 (A) One (1) member representing large employers in the
3 state.

4 (B) One (1) member representing small employers in the
5 state.

6 (7) The commissioner, or the commissioner's designee, who
7 serves as an ex-officio nonvoting member.

8 (b) If a vacancy on the committee occurs, the person who
9 appointed the member whose position is vacant shall appoint an
10 individual to fill the vacancy using the criteria in subsection (a).

11 (c) The speaker of the house of representatives shall appoint one
12 (1) of the members appointed by the speaker as a cochair of the
13 committee. The president pro tempore of the senate shall appoint
14 one (1) of the members appointed by the president as a cochair of
15 the committee.

16 Sec. 6. (a) The legislative services agency shall provide
17 administrative support for the committee. At the request of the
18 legislative services agency, the department of workforce
19 development established by IC 22-4.1-2-1 shall assign staff to
20 provide research and other support to assist the legislative services
21 agency in providing administrative support to the committee.

22 (b) There is annually appropriated to the legislative services
23 agency from the state general fund money necessary for the
24 operation of the committee.

25 Sec. 7. Six (6) committee members constitute a quorum. The
26 affirmative votes of at least six (6) committee members are
27 necessary for the committee to take official action.

28 Sec. 8. The committee shall meet at the call of both cochairs and
29 at other times as the committee considers necessary.

30 Sec. 9. (a) Each member of the committee who is not a state
31 employee or is not a member of the general assembly is entitled to
32 the following:

33 (1) The salary per diem provided under IC 4-10-11-2.1(b).

34 (2) Reimbursement for traveling expenses as provided under
35 IC 4-13-1-4.

36 (3) Other expenses actually incurred in connection with the
37 member's duties as provided in the state policies and
38 procedures established by the Indiana department of

1 **administration and approved by the budget agency.**

2 **(b) Each member of the committee who is a state employee but**
 3 **not a member of the general assembly is entitled to the following:**

4 **(1) Reimbursement for traveling expenses as provided under**
 5 **IC 4-13-1-4.**

6 **(2) Other expenses actually incurred in connection with the**
 7 **member's duties as provided in the state policies and**
 8 **procedures established by the Indiana department of**
 9 **administration and approved by the budget agency.**

10 **(c) Each member of the committee who is a member of the**
 11 **general assembly is entitled to the same:**

12 **(1) per diem;**

13 **(2) mileage; and**

14 **(3) travel allowances;**

15 **paid to legislative members of interim study committees**
 16 **established by the legislative council."**

17 Page 45, between lines 1 and 2, begin a new paragraph and insert:

18 "SECTION 56. IC 22-4-25-1, AS AMENDED BY P.L.138-2008,
 19 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2009]: Sec. 1. (a) There is created in the state treasury a
 21 special fund to be known as the special employment and training
 22 services fund. All interest on delinquent contributions and penalties
 23 collected under this article, together with any voluntary contributions
 24 tendered as a contribution to this fund, shall be paid into this fund. The
 25 money shall not be expended or available for expenditure in any
 26 manner which would permit their substitution for (or a corresponding
 27 reduction in) federal funds which would in the absence of said money
 28 be available to finance expenditures for the administration of this
 29 article, but nothing in this section shall prevent said money from being
 30 used as a revolving fund to cover expenditures necessary and proper
 31 under the law for which federal funds have been duly requested but not
 32 yet received, subject to the charging of such expenditures against such
 33 funds when received. The money in this fund shall be used by the board
 34 for the payment of refunds of interest on delinquent contributions and
 35 penalties so collected, for the payment of costs of administration which
 36 are found not to have been properly and validly chargeable against
 37 federal grants or other funds received for or in the employment and
 38 training services administration fund, on and after July 1, 1945. Such

money shall be available either to satisfy the obligations incurred by the board directly, or by transfer by the board of the required amount from the special employment and training services fund to the employment and training services administration fund. The board shall order the transfer of such funds or the payment of any such obligation or expenditure and such funds shall be paid by the treasurer of state on requisition drawn by the board directing the auditor of state to issue the auditor's warrant therefor. Any such warrant shall be drawn by the state auditor based upon vouchers certified by the board or the commissioner. The money in this fund is hereby specifically made available to replace within a reasonable time any money received by this state pursuant to 42 U.S.C. 502, as amended, which, because of any action or contingency, has been lost or has been expended for purposes other than or in amounts in excess of those approved by the bureau of employment security. The money in this fund shall be continuously available to the board for expenditures in accordance with the provisions of this section and shall not lapse at any time or be transferred to any other fund, except as provided in this article. Nothing in this section shall be construed to limit, alter, or amend the liability of the state assumed and created by IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the satisfaction of such liability, except to the extent that such liability may be satisfied by and out of the funds of such special employment and training services fund created by this section.

(b) Whenever the balance in the special employment and training services fund ~~is deemed excessive by the board;~~ **exceeds eight million five hundred thousand dollars (\$8,500,000)**, the board shall order payment **of the amount that exceeds eight million five hundred thousand dollars (\$8,500,000)** into the unemployment insurance benefit fund. ~~of the amount of the special employment and training services fund deemed to be excessive.~~

(c) Subject to the approval of the board and the availability of funds, on July 1, 2008, and each subsequent July 1, the commissioner shall release:

- (1) one million dollars (\$1,000,000) to the state educational institution established under IC 21-25-2-1 for training provided to participants in apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and

1 Training;
 2 (2) four million dollars (\$4,000,000) to the state educational
 3 institution instituted and incorporated under IC 21-22-2-1 for
 4 training provided to participants in joint labor and management
 5 apprenticeship programs approved by the United States
 6 Department of Labor, Bureau of Apprenticeship and Training;
 7 ~~and~~
 8 (3) two hundred fifty thousand dollars (\$250,000) for journeyman
 9 upgrade training to each of the state educational institutions
 10 described in subdivisions (1) and (2); **and**
 11 **(4) four hundred fifty thousand dollars (\$450,000) annually**
 12 **for training and counseling assistance provided by Hometown**
 13 **Plans under 41 CFR 60-4.5 for individuals who have been**
 14 **unemployed for at least four (4) weeks or whose annual**
 15 **income is less than twenty thousand dollars (\$20,000). The**
 16 **training and counseling assistance programs funded by this**
 17 **subsection must be approved by the United States Department**
 18 **of Labor's Bureau of Apprenticeship Training.**

19 Each state educational institution described in this subsection is
 20 entitled to keep ten percent (10%) of the funds released under this
 21 subsection for the payment of costs of administering the funds. On each
 22 June 30 following the release of the funds, any funds released under
 23 this subsection not used by the state educational institutions under this
 24 subsection shall be returned to the special employment and training
 25 services fund."

26 Page 47, between lines 32 and 33, begin a new paragraph and insert:
 27 "SECTION 58. IC 22-4-43 IS ADDED TO THE INDIANA CODE
 28 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2009]:

30 **Chapter 43. Hoosier Workers First Training Program**

31 **Sec. 1. As used in this chapter, "fund" refers to the Hoosier**
 32 **workers first training fund established by section 5 of this chapter.**

33 **Sec. 2. The Hoosier workers first training program is**
 34 **established for the following purposes:**

- 35 **(1) To improve manufacturing productivity levels in Indiana.**
- 36 **(2) To enable firms to become competitive by making workers**
 37 **more productive through training.**
- 38 **(3) To create a competitive economy by creating and retaining**

1 **jobs.**

2 **(4) To encourage the increased training necessary because of**
 3 **an aging workforce.**

4 **(5) To avoid potential payment of unemployment**
 5 **compensation by providing workers with enhanced job skills.**

6 **Sec. 3. The department shall administer the Hoosier workers**
 7 **first training program.**

8 **Sec. 4. For each state fiscal year, the department shall prepare**
 9 **an annual report on the use of the fund as a part of the report**
 10 **required by IC 22-4-18-7.**

11 **Sec. 5. (a) The Hoosier workers first training fund is established**
 12 **to do the following:**

13 **(1) Administer the costs of the Hoosier workers first training**
 14 **program established by section 2 of this chapter.**

15 **(2) Undertake any program or activity that furthers the**
 16 **purposes of this chapter.**

17 **(b) The money in the fund shall be allocated to employers or**
 18 **consortiums for worker training grants that enable workers who**
 19 **reside in Indiana to obtain recognizable credentials or**
 20 **certifications and transferable employment skills that improve**
 21 **employer competitiveness.**

22 **(c) Special consideration shall be given to Ivy Tech Community**
 23 **College (as defined in IC 21-7-13-22) to be the provider of the**
 24 **training funded under this chapter whenever the state educational**
 25 **institution:**

26 **(1) meets the identified training needs of an employer or a**
 27 **consortium with an existing credentialing or certification**
 28 **program; and**

29 **(2) is the most cost effective provider.**

30 **(d) For the worker training grants described in subsection (b),**
 31 **the department shall do the following:**

32 **(1) Provide grant applications to interested employers and**
 33 **consortiums.**

34 **(2) Accept completed applications for the grants.**

35 **(3) Obtain all information necessary or appropriate to**
 36 **determine whether an applicant qualifies for a grant,**
 37 **including information concerning:**

38 **(A) the applicant;**

- 1 **(B) the training to be offered;**
- 2 **(C) the training provider; and**
- 3 **(D) the workers to be trained.**
- 4 **(4) Allocate the money in the fund in accordance with**
- 5 **subsections (b) and (c).**
- 6 **(e) The treasurer of state shall invest the money in the fund not**
- 7 **currently needed to meet the obligations of the fund in the same**
- 8 **manner as other public money may be invested.**
- 9 **(f) Money in the fund at the end of a state fiscal year does not**
- 10 **revert to the state general fund.**
- 11 **(g) The fund consists of the following:**
- 12 **(1) Appropriations from the general assembly.**
- 13 **(2) Earnings acquired through the use of money belonging to**
- 14 **the fund.**
- 15 **(3) Money deposited in the fund from any other source.**
- 16 **(h) Any balance in the fund does not lapse but is available**
- 17 **continuously to the department for expenditures for the program**
- 18 **established by this chapter."**
- 19 Page 54, after line 12, begin a new paragraph and insert:
- 20 "SECTION 76. [EFFECTIVE JULY 1, 2009] **(a) As used in this**
- 21 **SECTION, "committee" refers to the unemployment insurance**
- 22 **oversight advisory committee established by IC 2-5-30-3, as added**
- 23 **by this act.**
- 24 **(b) As used in this SECTION, "department" refers to the**
- 25 **department of workforce development established by**
- 26 **IC 22-4.1-2-1.**
- 27 **(c) As used in this SECTION, "fund" refers to the**
- 28 **unemployment insurance benefit fund established under**
- 29 **IC 22-4-26.**
- 30 **(d) The commissioner of the department shall, not later than**
- 31 **sixty (60) days after the effective date of any economic stimulus**
- 32 **package law enacted by the Congress of the United States:**
- 33 **(1) initiate changes to eligibility and other requirements of the**
- 34 **state's existing unemployment insurance system in order for**
- 35 **the state to qualify for the maximum amount available under**
- 36 **the federal economic stimulus package law, unless the cost of**
- 37 **implementing the changes, including the negative fiscal**
- 38 **impact on the fund, exceeds the maximum amount available**

1 to the state under the federal economic stimulus package as
 2 the result of the state making the changes; and

3 (2) submit in an electronic format under IC 5-14-6 to the
 4 legislative council, the committee, the speaker of the house of
 5 representatives, and the president pro tempore of the senate
 6 a report that provides the following:

7 (A) Details of the commissioner's actions taken, or the
 8 commissioner's decision not to initiate changes, under
 9 subdivision (1).

10 (B) Recommendations for any legislation necessary to
 11 modify the state's unemployment insurance system in
 12 order for the state to qualify for amounts available under
 13 the federal economic stimulus package law.

14 (C) An analysis of the fiscal impact to the fund of:

15 (i) the commissioner's actions taken, or the
 16 commissioner's decision not to initiate changes, under
 17 subdivision (1); and

18 (ii) the legislation recommended under clause (B), if the
 19 legislation is enacted.

20 (e) This SECTION expires July 1, 2011."

21 Renumber all SECTIONS consecutively.

(Reference is to SB 84 as printed February 6, 2009.)

and when so amended that said bill do pass.

Representative Niezgodski